



Affordable Care Act (ACA) and Medicaid

Continuing Legal Education for
Attorney General's Office

November 6, 2013

ACA and Medicaid

- ACA's impact on Medicaid
- Current implementation activities
- Impact of Supreme Court decision
- Mandatory vs. optional expansion
- Expansion options

ACA's Impact on Medicaid



Changes to Medicaid Eligibility

- Effective January 1, 2014, new eligibility rules go into effect for children, parents, and pregnant women
 - Asset tests are removed for these programs
 - Income levels for children ages 6 to 18 moves from 100% to 133% of the federal poverty level
 - New tax-based methodology is used to calculate income and household size known as Modified Adjusted Gross Income (MAGI)

ACA's Impact on Medicaid



Changes to Medicaid Eligibility (continued)

- Children who age-out of foster care and are under age 26 will now be eligible for Medicaid (used to be up to age 19)
- Presumptive Eligibility for Hospitals (HPE) - Hospitals will authorize temporary Medicaid cards while the application processes

ACA's Impact on Medicaid



Other Medicaid Changes

- Children will be able to elect hospice care without losing access to other Medicaid services
- Enhanced physician payments – From January 1, 2013 to December 31, 2014, Medicaid will increase reimbursement rates up to the Medicare rates for qualifying physicians when they provide evaluation and management services – increase is funded 100% by federal funds

Current Implementation Activities



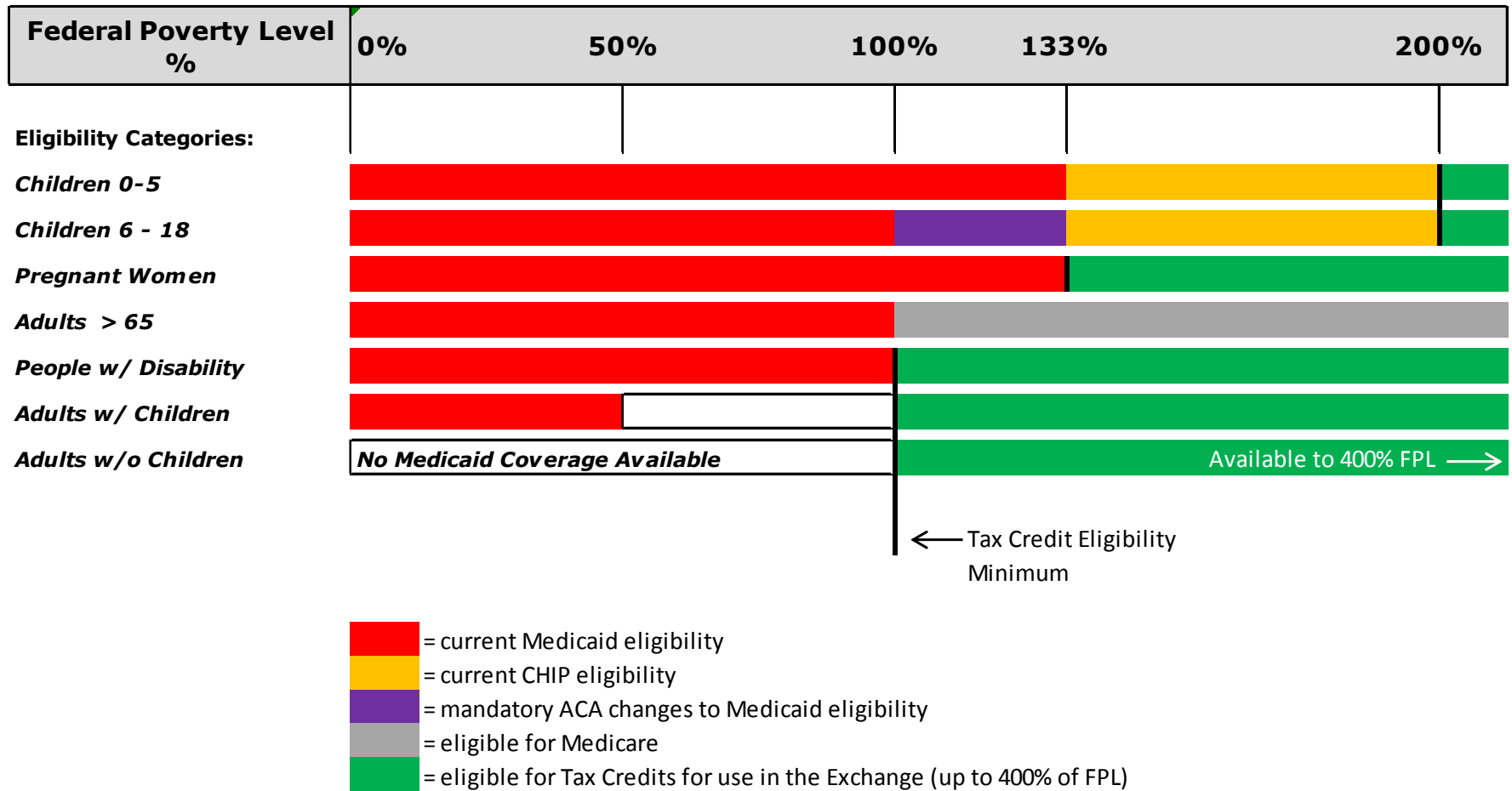
- Changed eligibility policies to reflect new law, reprogrammed the eligibility system that processes Medicaid eligibility (eREP), and created connections with federal marketplace and data hub
- Collected self-attestations from physicians for enhanced payments, began making payments to physicians and accountable care organizations

Impact of Supreme Court Decision

- On June 28, 2012 in *National Federation of Independent Business v. Sebelius*, the Supreme Court held that states may opt out of the Medicaid expansion for adults without losing their existing federal Medicaid dollars
- The Supreme Court left intact other Medicaid provisions under ACA
- States now confront the decision whether to expand Medicaid to a new adult population

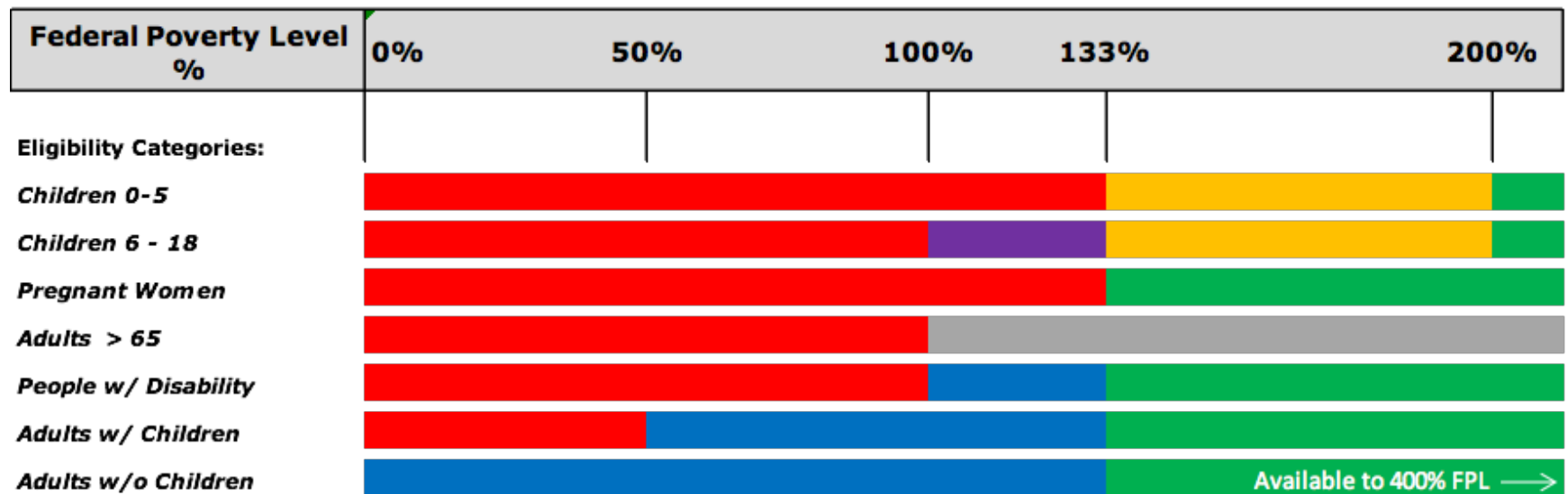
Mandatory Changes Only

Income Limits for Medicaid, CHIP and Tax Credit Eligibility No Optional Medicaid Expansion



Optional Medicaid Expansion

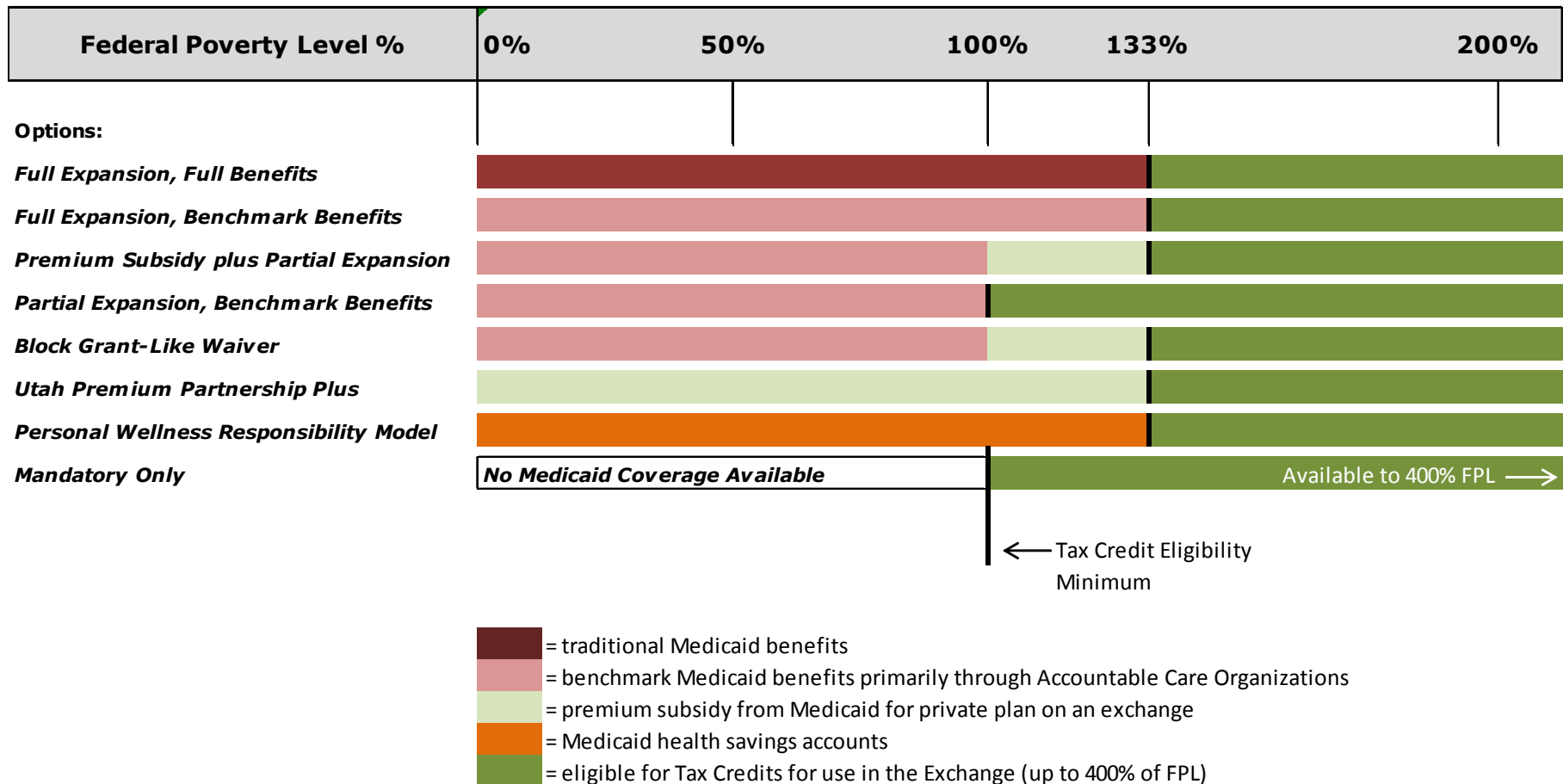
Income Limits for Medicaid, CHIP and Tax Credit Eligibility Optional Medicaid Expansion



- = current Medicaid eligibility
- = current CHIP eligibility
- = mandatory ACA changes to Medicaid eligibility
- = optional Medicaid ACA expansion eligibility
- = eligible for Medicare
- = eligible for Tax Credits for use in the Exchange (up to 400% of FPL)

Medicaid Expansion Options

Medicaid Expansion Options Adults with or without Dependent Children Ages 19-64



Medicaid Expansion Options

	Additional # of People Covered in 2020	State Costs in 2020/ Over 10 Years (in millions)	Waiver Requirement?	Federal/State Funding Ratio
Full Expansion – Full Benefits	111,000	\$40.8/ \$260.4	No	90/10
Full Expansion – Benchmark Benefits	111,000	\$33.4/ \$116	No	90/10
Partial Expansion – Premium Subsidy	111,000	\$40.8/ \$260.4	1115 Waiver Required	Possibly 90/10 (if approved)
Partial Expansion – Benchmark Benefits	54,000	\$39.2/ \$333.6	1115 Waiver Required	Possibly 90/10 (if approved), but likely 70/30
Block Grant-Like Waiver	111,000	\$33.4/ \$116	1115 Waiver Required	90/10 (if approved)
Utah Premium Partnership Plus	111,000	\$40.8/ \$260.4	1115 Waiver Required	90/10 (if approved)
Personal Wellness and Responsibility	Unknown	Unknown	1115 Waiver Required or 1332 Waiver in 2017	90/10 (if approved)
Health Care Safety Net	Unknown	Unknown	Unknown	Unknown
Mandatory Only	51,000	\$25.7/ \$220.6	No	70/30

Contact Information



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